UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 111th Congress¹

[Date approved: May 3, 2010]²

Bill No. and sponsor: S. 2108 (Mr. Christopher Bond of Missouri).

Proponent name, location: Brown Shoe Company, Inc., St. Louis, MO.

Other bills on product (111th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Footwear with outer soles of leather or composition leather and with uppers of textile materials, the foregoing valued not over \$20/pair, for women (provided for in subheading 6404.20.60).

Check one:

Same as that in bill as introduced.

Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The bill covers women's footwear with outer soles of leather or composition leather and uppers of textile materials which are valued at \$20 per pair or less. China is the leading supplier of these imports. Total dutiable imports under HTS statistical reporting number 6404.20.6060 were approximately \$18.7 million in 2009, of which China supplied about \$12.7 million.

¹ Industry analyst preparing report: Laura Rodriguez (202-205-3499); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff affairs/congress reports/.

The sponsor and proponent stated there are more than ten beneficiaries of this bill, including numerous retailers and suppliers.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6404.20.60:

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$\bigg \backslash \! \bigg \backslash$	2010	2011	2012	2013	2014
Col. 1-General rate					
of duty	37.5%	37.5%	37.5%	37.5%	37.5%
Estimated value					
dutiable imports a	\$24,321,000	\$24,321,000	\$24,321,000	\$24,321,000	\$24,321,000
Customs revenue					
loss ^b	\$9,120,375	\$9,120,375	\$9,120,375	\$9,120,375	\$9,120,375

<u>a/</u> Dutiable import estimates reflect official data provided by the U.S. Department of Commerce. Data supplied by industry representatives varied widely, making it impossible to use the data, but it is believed that total dutiable imports reported for HTS statistical reporting number 6404.20.6060 overstate actual imports of the subject footwear.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing	Submission attached?	Opposition noted?
		product(s)? (Yes/No)		
Brown Shoe Company, Inc. (Proponent) Lance Frutiger, 314-854-4228	01/15/2010	No	No	No
American Apparel and Footwear Association Nate Herman, 703-797-9062	01/15/2010	No	No	No
E.S. Originals, Inc. John Magnus, 202-626-1474	02/23/2010	Yes	Yes	Yes
Footwear Retailers and Distributors of America Matt Priest, 202-737-5660	01/14/2010	No	No	No
Rubber and Plastic Footwear Manufacturers Association Mitchell J. Cooper, 202-331-1858	01/15/2010	No	No	No

Technical comments:4

It is suggested that the article description of the proposed heading be amended as shown on page 1, to follow normal HTS usage more closely. No other information about the precise type of footwear of interest to the proponent was provided.

 $[\]underline{b}$ / At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.



111TH CONGRESS 1ST SESSION

S. 2108

To suspend temporarily the duty on certain women's textile upper footwear.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. Bond introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on certain women's textile upper footwear.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. CERTAIN WOMEN'S TEXTILE UPPER FOOT-
- 4 WEAR.
- 5 (a) In General.—Subchapter II of chapter 99 of
- 6 the Harmonized Tariff Schedule of the United States is
- 7 amended by inserting in numerical sequence the following
- 8 new heading:

2

"	9902.01.00	Footwear with outer soles of leather or composition leather and with uppers of textile materials, valued less than \$20/pair, for women (provided for in subheading 6404.20.60)	Free	No change	No change	On or before 12/31/2011	,,
	'	!	1		1	12/31/2011	٠.

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to goods entered, or withdrawn from
- 3 warehouse for consumption, on or after the 15th day after
- 4 the date of the enactment of this Act.

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